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NARCOTIC DRUGS

International action to combat drug abuse and illicit trafficking

Report of the Secretary-General

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* A/46/150.

I. INTRODUCTION

1. In paragraph 9 of its resolution 44/142 of 15 December 1989, the General Assembly requested the Secretary-General to undertake as soon as possible, with the assistance of a group of intergovernmental experts, a study on the economic and social consequences of illicit traffic in drugs, with a view to analysing, inter alia, the following elements: (a) the magnitude and characteristics of economic transactions related to drug trafficking in all its stages, including production of, traffic in and distribution of illicit drugs, in order to determine the impact of drug-related money transfers and conversion on national economic systems; (b) mechanisms which would prevent the use of the banking system and the international financial system in this activity.

2. In paragraph 10 of that resolution the General Assembly also requested the Secretary-General to ask Member States for their views on the scope and context of such a study, taking into account the elements set forth in paragraph 9 mentioned above, and to transmit such views to the group of experts.

3. Pursuant to General Assembly resolution 44/142, two meetings of the Intergovernmental Expert Group to Study the Economic and Social Consequences of Illicit Traffic in Drugs were held from 21 to 25 May and from 9 to 20 July 1990. The views of Member States on the study were sought and transmitted to the Expert Group.

4. At its forty-fifth session, the General Assembly had before it the report of the Secretary-General (A/45/535) on action taken pursuant to its resolution 44/142, which included a section summarizing the work of the Expert Group and setting out the 18 recommendations it had adopted. At the request of the representative of Bolivia, the full report of the Expert Group was also circulated, in English only, as document A/C.3/45/8.

II. ACTION TAKEN BY THE GENERAL ASSEMBLY AT ITS FORTY-FIFTH SESSION

5. In section II of its resolution 45/149 of 18 December 1990, entitled "International action to combat drug abuse and illicit trafficking", the General Assembly invited the Commission on Narcotic Drugs to study the recommendations and conclusions of the Expert Group, in particular those on the proposed framework for an in-depth study on the economic and social consequences of illicit traffic in narcotic drugs and psychotropic substances, and to report thereon to the General Assembly at its forty-sixth session through the Economic and Social Council, regarding further action to be taken.

6. In paragraph 3 of the same resolution, the General Assembly requested the Secretary-General, in view of the provisional and preliminary nature of the Expert Group's study, to consider the possibility of convening a meeting of an

expert group to conclude the analysis commenced under the mandate contained in paragraphs 9 and 9 (a) of resolution 44/142 and to give due consideration to the recommendations made by the Commission on Narcotic Drugs. In addition, in paragraph 5 of that resolution, the Assembly invited the Secretary-General to report on measures to be adopted to implement the recommendations addressed to him by the Expert Group and any relevant recommendations made by the Commission on Narcotic Drugs. Finally, the Assembly requested the Secretary-General to submit a report to its forty-sixth session on the implementation of the resolution. The present report has been prepared in response to that request.

III. ACTION TAKEN BY THE COMMISSION ON NARCOTIC DRUGS AT ITS THIRTY-FOURTH SESSION

7. At its thirty-fourth session (29 April to 9 May 1991), the Commission on Narcotic Drugs, in considering section II of General Assembly resolution 45/149, took the decision, with regret, that the workload of its session did not permit a thorough and comprehensive review of the Expert Group's recommendations. It therefore adopted resolution 7 (XXXIV) entitled "Recommendations of the Intergovernmental Expert Group to Study the Economic and Social Consequences of Illicit Traffic in Drugs". In paragraph 1 of that resolution, it invited the Executive Director of the United Nations International Drug Control Programme (UNDCP) to analyse the recommendations of the Expert Group and to transmit to the Commission at its 1992 session his views on possible follow-up, taking into account the Global Programme of Action adopted by the General Assembly at its seventeenth special session and the financial implications involved. The Commission also decided, in paragraph 2, to consider at its 1992 session the recommendations of the Expert Group and the views of the Executive Director "as a basis for its report on the various recommendations and conclusions of the Expert Group and to submit its report to the General Assembly at its forty-seventh session through the Economic and Social Council".

IV. ACTION TAKEN BY THE SECRETARY-GENERAL

8. The Expert Group addressed a number of recommendations to the Secretary-General, which may be summarized in six points. The first recommendation called for the development of an annual estimate on a global basis of the entire process of illicit drug production and trafficking, including an analysis of the value added at different stages of production and trafficking and of the extent and trends of drug abuse. In order to prepare this comprehensive estimate, the Expert Group recommended the establishment of a unit with the capacity to gather and process the necessary data. In addition, in developing the annual estimate, the Expert Group recommended that regular analytical studies on the social and economic effects of all aspects of drug trafficking, production and consumption should be made. Those studies should also address issues such as money laundering related to illicit drug trafficking and the impact and effectiveness of the control of substances used in the manufacture of narcotic drugs and psychotropic substances.

9. As part of the restructuring of the three drug control units into a single integrated Programme pursuant to resolution 45/179, a comprehensive analysis of the information collected in the past by the three drug control units on all aspects of illicit drug production, trafficking and abuse, as well as the licit production and market of drugs, has been undertaken. It is envisaged that a service will be established within UNDCP to coordinate the collection of this information. With the development of the International Drug Abuse Assessment System (IDAAS), UNDCP will collect epidemiological and treatment data worldwide, which will provide detailed information on the extent, pattern and trends of drug abuse at both national and international levels.

10. The Expert Group's second recommendation called upon the Secretary-General to commission a study to determine the effectiveness of economic policies employed against illicit crop production and the extent to which crop substitution programmes could be improved. UNDCP has begun a crucial step in performing such an analysis by initiating the evaluation of 12 income substitution and rural development projects funded by it. An innovative approach to the evaluation of these projects has been developed, in which representatives of the affected communities will participate.

11. The third recommendation called upon the Secretary-General to undertake an analytical study to establish the link between illicit drug trafficking and external debt and the economic implications arising therefrom. Although a specific study in this area has not been undertaken, a number of preliminary studies are being designed. In particular, UNDCP is exploring areas of collaboration with the World Bank to study the magnitude and impact of the illicit drug economy in Latin American countries. In addition, the Programme is collaborating with the United Nations Research Institute in Social Development (UNRISD) on its research on the social, economic and political consequences of the international trade in illicit drugs.

12. The fourth and fifth recommendations called upon the Secretary-General to convene two expert groups, one to undertake a detailed study on the social consequences of drug abuse and illicit traffic and another to define minimal standards of professional conduct in financial and related professional activities to prevent drug-related money laundering.

13. In view of the ongoing work in developing the estimate and of the initiation of detailed studies on economic and social consequences of illicit drug production, trafficking and abuse, it is the opinion of UNDCP that it is premature to convene these expert groups. As part of the Executive Director's report to the thirty-fifth session of the Commission on Narcotic Drugs, consideration will be given to the recommendation that these groups be convened, as well as the financial implications thereof.

14. The final recommendation called for the development of a unit with expertise to assist Member States to prepare laws and enforcement programmes to deal more effectively with money laundering and organized crime. As part of the restructuring, it is envisaged that a Technical Services Division will

be created in UNDCP. That division will consist, inter alia, of staff with expertise in the areas of law enforcement, and legal and training assistance, who will be available to assist States at their request.

15. In addition to requesting the Secretary-General to report on action taken to implement the recommendations addressed to him by the Expert Group, the General Assembly, in its resolution 45/149, requested the Secretary-General to consider the possibility of convening a meeting of an expert group to conclude the analysis commenced under the mandate contained in paragraphs 9 and 9 (a) of resolution 44/142 and to give due consideration to the recommendations made by the Commission on Narcotic Drugs. In view of the decision of the Commission to request the Executive Director of UNDCP to analyse the recommendations of the Expert Group and to transmit his views on possible follow-up to the Commission at its thirty-fifth session and considering that further work by an expert group would be more efficient after full implementation of the worldwide estimate and completion of various studies, consideration of the possibility of convening such an expert group should await completion of the report of the Executive Director to the Commission.